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SUBJECT: MEDIA REACTION: CROSS-STRAIT TRADE

Summary: Taiwan's major Chinese-language dailies continued to focus their coverage December 6 on the upcoming Taipei and Kaohsiung mayoral races, and on the aftermath of a fatal bus crash near Tainan on Sunday. News coverage also centered on the improved condition of Taichung Mayor Jason Hu's wife, who has remained in a coma since a serious car accident in late November. The pro-independence "Liberty Times," Taiwan's largest-circulation daily, front-paged the results of its latest survey, which showed that KMT mayoral candidate Huang Chun-ying and DPP mayoral candidate Chen Chu now enjoy almost the same level of support (approximately 34 percent) in Kaohsiung. The pro-status quo "China Times" reported on page four the results of its latest survey, which showed that support for KMT Taipei mayoral candidate Hau Lung-pin remained at 48 percent, while the approval rating for DPP Taipei mayoral candidate Frank Hsieh climbed to a new high of 22 percent. In terms of editorials and commentaries, most papers editorialized on the upcoming mayoral elections. But the "Liberty Times" editorial continued to focus on cross-strait trade and urged the DPP government not to ease the restrictions on investment in China. End summary.

"Would the DPP Government Please Stop Doing Things That Will Pain Its Friends but Please Its Enemies?"

The pro-independence "Liberty Times" [circulation: 600,000] editorialized (12/6):

"... Let's look at the consequences of the proactive opening policy and [the government's decision] significantly to ease restrictions [on cross-strait trade] over the past six years: Taiwan's domestic investment rate stands at an average of one percent only, (while during the period of the 'No Haste, Be Patient' policy, the island's average domestic investment rate from 1995 to 1999 was 6.4 percent, a gap of nearly sixfold). Taiwan's GDP growth also dropped from 4.3 percent to 2 percent. On what grounds can those hardcore officials who cater to China and who support westbound investments speak loudly about nonsense of 'opening and easing restrictions?' Is it possible that 'wiping out the entire nation and unifying [with China]' is the ultimate goal of [Taiwan's] national economic policy? ..."

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